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STELLMACHER & SADOYAMA, LTD.

Real Estate Appraisers, Arbitrators and Counselors / Feasibility and Market Analysis

1042 Fort Street Mall / Suite 300 / Honolulu, Hawaii 96813 / Phone (808) 545-2622 / Fax 545-3743

OCT 21 8 04 AM '98

October 20, 1998

Nancy Bell, Attorney-at-Law
Federal Election Commission
Office of the General Counsel
999 E Street, N.W.
Washington, DC 20463

Re: MUR 4594 Market Rental Analysis for Chinatown Cultural Plaza, Suite 203, Honolulu, Hawaii

Dear Ms. Bell:

This letter will serve to confirm our assignment to provide you with a market rental analysis for Suite 203 in the Chinatown Cultural Plaza located at 100 North Beretania Street in Honolulu, Hawaii. The property is identified on Hawaii Tax Maps as First Division Tax Map Key 1-7-05, Parcel 19.

Market rent is defined as the rental income that a property would most probably command in the open market; indicated by the current rents paid and asked for comparable space as of the date of the appraisal.

The purpose of the appraisal is to estimate the monthly market rental for Suite 203 in the subject property, which comprises approximately 3,437 square feet of improved office space. The time frame for the estimate is to be determined based on the desired scope and ranges from 1980 to 1996. The function of the market rental analysis is to provide the client with market data, objective research and analysis, and market rental conclusions to assist in determining the rental value of the space over time. Our analysis will include a discussion of our research methodology, summary of comparable market data, and analysis and conclusions for the desired time frame. This analysis will be performed in conformance with and will be subject to the requirements of the Code of Professional Ethics and Standards of Professional Conduct of the Appraisal Institute (AI).

To assist us with this assignment, it would be helpful to have the following information:

1. Copies of sample tenant leases for the Chinatown Cultural Plaza, if available.
2. Name and phone number of the person to contact to inspect the subject property, if such an inspection is possible.

Based on our present staff availability, we anticipate that we can provide you with our market rental analysis within four to six weeks from the date of receipt of your written authorization, retainer and requested information. Four copies of our report will be provided.

Richard K. Ingersoll, Esq.
August 17, 1998
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Based on our present staff availability, we anticipate that we can provide you with our appraisal report within six to eight weeks from the date of receipt of your written authorization and retainer. Four copies of our report will be provided.

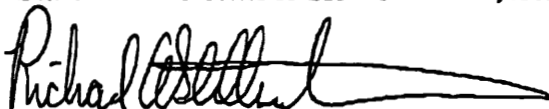
Professional fees charged by our firm are computed on the basis of the complexity of the problem and the time spent by members of our staff at their established billing rate, plus reimbursement of out-of-pocket expenses (travel, photographs, maps, production, binding, etc.). We estimate that the assignment can be completed for \$18,000, including expenses, plus state general excise tax. The total fee will be \$18,750.

It is our standard practice to require a 60 percent retainer at the commencement of an assignment, the balance upon delivery of the report. If the terms of this letter are satisfactory, please acknowledge your authorization by signing and dating a copy of this letter and returning it to us with the retainer in the amount of \$10,800. The terms and conditions of this proposal are base on present and anticipated staff availability. If the executed copy of this proposal is not received before September 1, 1998, we reserve the right to reschedule the anticipated date of delivery and revise the estimated fee. Upon completion of the assignment, if any additional time is required for testimony or consultation it will be billed on an hourly rate basis at \$250 per hour.

If you have any questions regarding the scope of the assignment or wish to clarify this proposal, please contact us at your earliest convenience. We look forward to working with you on this assignment.

Sincerely,

STELLMACHER & SADOYAMA, LTD.



Richard A. Stellmacher, MAI
President

APPROVED:

By _____

Authorized Signature

Date: _____, 1998

21-04-402-4910

PROFESSIONAL QUALIFICATIONS OF RICHARD A. STELLMACHER, MAI

Certified General Appraiser (CGA-95), Exp. 12/31/99

BUSINESS BACKGROUND

Stellmacher & Sadoyama, Ltd., Honolulu, Hawaii
President

Sept. 1984 - Present

Hastings, Martin, et al, Honolulu, Hawaii
Former Vice President

Nov. 1980-Aug. 1984

Federal District & State Circuit Courts, Honolulu & Wailuku, Hawaii
Qualified Expert Witness

Society of Real Estate Appraisers
Qualified Instructor

- Course 201, "Principles of Income Property Valuation"
- Course 202, "Applied Income Property Valuation"

"The Real Estate Appraiser and Analyst,
Journal of the Society of Real Estate Appraisers"
Contributing Author

"A Guide to Real Estate Appraisal in Hawaii"
(Published by the University of Hawaii)
Co-Author

PROFESSIONAL MEMBERSHIPS

American Institute of Real Estate Appraisers
MAI Designation, Past Chapter President
State Certification Coordinator-Nationally appointed (1988 - 1991)
Governing Councillor 1990

Society of Real Estate Appraisers
SRPA Designation, Past Chapter President

EDUCATION

University of Hawaii, B.B.A. (Real Estate), 1976.
Professional Real Estate Studies credits:

AIREA

- Course 1A - Basic Appraisal Principles, Methods and Techniques.
- Course 1B - Capitalization Theory & Techniques.
- Course 2 - Urban Properties.
- Course 6 - Intro. to Real Estate Investment Analysis.
- Narrative Demo. Appraisal Report on an Income Property.
- Narrative Demo. Appraisal Report on Residential Property.

SREA

- Course 101 - Intro. to Appraising Real Property.
- Course 201 - Principles of Income Property Valuation.
- Course 202 - Applied Income Property Valuation.
- Exam R-2 - Residential Case Study.

TYPICAL CLIENTS

Financial institutions, including banks and savings and loans; mortgage bankers; builders and developers; investors and investment groups; estates; trust companies; government departments; attorneys; CPA firms; insurance companies; and realtors.

TYPICAL STUDIES

Arbitrations, lease negotiations, exchanges, feasibility studies, market analysis, real estate counseling, rental analyses, partial and fractional interest valuations, and fee simple, leasehold and leased fee appraisals of many types of properties including office buildings, shopping centers, hotels, subdivisions, apartment complexes, business and residential condominiums, residential cooperatives, factories, warehouses, theaters, golf courses, agricultural lands, kuleanas, airports, hospitals, and many other types of commercial and industrial properties.

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